The gross collections in Indira Vikas Patra and Kisan Vikas Patra from the date of their introduction to 31-3-93 (provisional) were Rs. 28665 crores.

(b) The gross collections in both the schemes taken together during 1992-93 (provisional) were higher than that during 1991-92.

(c) and (d) The maturity period of Kisan Vikas Patra period of Indira Vikas Patra issued from 24th April, 1992 was reduced from five and half years to five years with investment to double in five years. This scheme also provides for premature encashment facility after two and half years from the date of purchase. Investment in Indira Vikas Patra also doubles in five years.

(e) Yes Sir.

(f) The rate of income tax on interest that accrues on these patra will depend upon the total income of the holder.

Duty on Cigarettes

395. SHRI CHIMANBHAI MEHTA:
SMT. MIRA DAS:
SHRI G. G. SWELL:
SHRI SARADA MOHANTY:
SHRI SUBRAMANIAN SWAMY:

Will the Minister of FINANCE be pleased to state:

(a) whether is it a fact that cigarettes in the top range price are taxed to the tune 43.64 per cent to 44.74 per cent, medium range price in the range of 46.69 per cent to 74 per cent and low range price within the range of 66.67 per cent to 77.27 per cent;

(b) whether is it a fact that due to above type, arrangement of specific duty rates high priced cigarette manufacturers get much higher profits as much as 6 times more profit compared to bottom priced cigarettes;

(c) whether it is a fact that had the same percentage of *ad valorem* duty prevalent in 1986/87 been maintained today, the Government would have gained more than Rs. 500 crores per annum in revenue for cigarette industry; and

(d) whether it is also a fact that Chelliah Committee has recommended *ad valorem* excise duty in lieu of specific duty as this adversely affects revenue collection if so, what are the reasons for which Government are not implementing this recommendation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) The excise duty on cigarettes is specific based on the length of the cigarettes and is not related to their price.

(b) The profits of the cigarette indstry are not directly related to the rates of central excise duty. Central excise duty is only one of the elements in the cost of cigarettes.

(c) and (d) The Chelliah Committee has recommended the replacement of specific duties by *ad valorem* rates. However, they have stated that there could be some exceptions as in the case of cigarettes. As ad *volrem* duties on cigarettes were statutorily changed to specific duties, it would not be correct to say that the Government would have gained more revenue if the ad valorem duties had continued.

Proposal to raise Gujarat Development bonds

396. SHRI VITHALBHAI M. PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Government of Gujarat has submtted a proposal in November, 1992 to